

R590. Insurance, Administration.

R590-126. Accident and Health Insurance Standards.

R590-126-4. Prohibited Policy Provisions.

(1) Probationary periods.

(a) A policy shall not contain provisions establishing a probationary period during which no coverage is provided under the policy, subject to the further exception that a policy may specify a probationary period not to exceed six months for specified diseases or conditions and losses resulting from disease or condition related to:

- (i) adenoids;
- (ii) appendix;
- (iii) disorder of reproductive organs;
- (iv) hernia;
- (v) tonsils; and
- (vi) varicose veins.

(b) The six-month period in Subsection (1)(a) may not be applicable where such specified diseases or conditions are treated on an emergency basis.

(c) Accident policies may not contain probationary or waiting periods.

(d) A probationary or waiting period for a specified disease policy shall not exceed 30 days.

(2) Preexisting conditions.

(a) Except as provided in Subsections (b) and (c), a policy shall not exclude coverage for a loss due to a preexisting condition for a period greater than 12 months following the issuance of the policy or certificate where the application or enrollment form for the insurance does not seek disclosure of prior illness, disease or physical conditions or prior medical care and treatment and the preexisting condition is not specifically excluded by the terms of the policy or certificate.

(b) A specified disease policy shall not exclude coverage for a loss due to a preexisting condition for a period greater than six months following the issuance of the policy or certificate, unless the preexisting condition is specifically excluded.

(c) A hospital confinement indemnity policy shall not exclude a preexisting condition for a period greater than 12 months following the effective date of coverage of an insured person unless the preexisting condition is specifically and expressly excluded.

(3) Hospital indemnity. Policies providing hospital confinement indemnity coverage shall not contain provisions excluding coverage because of confinement in a hospital operated by the federal government.

(4) Limitations or exclusions. A policy shall not limit or exclude coverage or benefits by type of illness, accident, treatment or medical condition, except as follows:

- (a) abortion;
- (b) acupuncture and acupressure services;
- (c) administrative charges for completing insurance forms, duplication services, interest, finance charges, or other administrative charges, unless otherwise required by law;

(d) administrative exams and services;
(e) alcoholism and drug addictions;
(f) allergy tests and treatments;
(g) aviation;
(h) axillary hyperhidrosis;
(i) benefits provided under:
(i) Medicare or other governmental program, except Medicaid;
(ii) state or federal worker's compensation; or
(iii) employer's liability or occupational disease law.
(j) cardiopulmonary fitness training, exercise equipment,
and membership fees to a spa or health club;
(k) charges for appointments scheduled and not kept;
(l) chiropractic;
(m) complementary and alternative medicine;
(n) corrective lenses, and examination for the prescription
or fitting thereof, but policies may not exclude required lens
implants following cataract surgery;
(o) cosmetic surgery~~[-including gastric procedures];~~
reversal, revision, repair, complications, or treatment related to
a non-covered cosmetic surgery.~~[-except that cosmetic surgery~~
~~shall not include-]~~This exclusion does not apply to reconstructive
surgery when the service is incidental to or follows surgery
resulting from trauma, infection or other diseases of the involved
part; ~~or~~[and] reconstructive surgery because of congenital disease
or anomaly of a covered dependent child that has resulted in a
functional defect;
(p) custodial care;
(q) dental care or treatment, except dental plans;
(r) dietary products, except as required by R590-194;
(s) educational and nutritional training, except as required
by R590-200;
(t) experimental and/or investigational services;
(u) felony, riot or insurrection, when the insured is a
voluntary participant;
(v) foot care in connection with corns, calluses, flat feet,
fallen arches, weak feet, chronic foot strain or symptomatic
complaints of the feet, including orthotics. The exclusion of
routine foot care does not apply to cutting or removal of corns,
calluses, or nails when provided to a person who has a systemic
disease, such as diabetes with peripheral neuropathy or
circulatory insufficiency, of such severity that unskilled
performance of the procedure would be hazardous;
(w) gastric or intestinal bypass services including lap
banding, gastric stapling, and other similar procedures to
facilitate weight loss; the reversal, or revision of such
procedures; or services required for the treatment of
complications from such procedures;
~~(x) gene therapy;~~
(y) ~~[-x]~~ genetic testing;
(z) ~~[-y]~~ hearing aids, and examination for the prescription
or fitting thereof;
(aa) ~~[-z]~~ illegal activities, limited to losses related
directly to the insured's voluntary participation;
(bb) ~~[-aa]~~ incarceration, with respect to disability income

policies;

(cc)~~[(bb)]~~ infertility services, except as required by R590-76;

(dd)~~[(ee)]~~ interscholastic sports, with respect to short-term nonrenewable policies;

(ee)~~[(dd)]~~ mental or emotional disorders;

(ff)~~[(ee)]~~ motor vehicle no-fault law, except when the covered person is required by law to have no-fault coverage, the exclusion applies to charges up to the minimum coverage required by law whether or not such coverage is in effect;

(gg)~~[(ff)]~~ nuclear release;

(hh)~~[(gg)]~~ preexisting conditions or diseases as allowed under Subsection R590-126-4(2), except for coverage of congenital anomalies as required by Section 31A-22-610;

(ii)~~[(hh)]~~ pregnancy, except for complications of pregnancy;

(jj)~~[(ii)]~~ refractive eye surgery;

(kk)~~[(jj)]~~ rehabilitation therapy services (physical, speech, and occupational), unless required to correct an impairment caused by a covered accident or illness;

(ll)~~[(kk)]~~ respite care;

(mm)~~[(ll)]~~ rest cures;

(nn)~~[(mm)]~~ routine physical examinations;

(oo)~~[(nn)]~~ service in the armed forces or units auxiliary to it;

(pp)~~[(oo)]~~ services rendered by employees of hospitals, laboratories or other institutions;

(qq)~~[(pp)]~~ services performed by a member of the covered person's immediate family;

(rr)~~[(qq)]~~ services for which no charge is normally made in the absence of insurance;

(ss)~~[(rr)]~~ sexual dysfunction;

(tt)~~[(ss)]~~ shipping and handling, unless otherwise required by law;

(uu)~~[(tt)]~~ suicide, sane or insane, attempted suicide, or intentionally self-inflicted injury;

(vv)~~[(uu)]~~ telephone/electronic consultations;

(ww)~~[(vv)]~~ territorial limitations outside the United States;

(xx)~~[(ww)]~~ terrorism, including acts of terrorism;

(yy)~~[(xx)]~~ transplants;

(zz)~~[(yy)]~~ transportation;

(aaa)~~[(zz)]~~ treatment provided in a government hospital, except for hospital indemnity policies;

(bbb)~~[(aaa)]~~ war or act of war, whether declared or undeclared; or

(ccc)~~[(bb)]~~ others as may be approved by the commissioner.

(5) Waivers. This rule shall not impair or limit the use of waivers to exclude, limit or reduce coverage or benefits for specifically named or described preexisting diseases, physical condition or extra hazardous activity. Where waivers are required as a condition of issuance, renewal or reinstatement, signed acceptance by the insured is required.

(6) Commissioner authority. Policy provisions precluded in this section shall not be construed as a limitation on the

authority of the commissioner to prohibit other policy provisions that in the opinion of the commissioner are unjust, unfair or unfairly discriminatory to the policyholder, beneficiary or a person insured under the policy.

KEY: health insurance

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